

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

MOTION TO ADJUST RATES IN)	
ACCORDANCE WITH PURCHASED)	
GAS ADJUSTMENT CLAUSE OF)	CASE NO. 7897-E
AUXIER ROAD GAS COMPANY, INC.)	

O R D E R

On April 23, 1981, the Commission issued its Order in Case No. 7897 approving certain rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On October 20, 1981, Auxier Road Gas Company ("Auxier") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") on November 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of April 23, 1981. The notice set out certain revisions in rates which Auxier proposed to place in effect, said rates being designed to increase the cost of natural gas of its supplier.

The amount of the increased cost of gas to Auxier will be \$2,862 on an annual basis.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

(1) Auxier's supplier has filed increased rates and said rates will become effective on and after November 1, 1981.

(2) Auxier's notice of October 20, 1981, does not provide the Commission with the 20-day statutory notice, therefore, the proposed increase should become effective on and after November 9, 1981.

(3) Auxier's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case No. 7897, dated April 23, 1981, is fair, just and reasonable and in the public interest and should be allowed to be effective with gas supplied on and after November 9, 1981.

IT IS THEREFORE ORDERED that the purchased gas adjustment sought by the Applicant be and the same is hereby approved to be effective with gas supplied on and after November 9, 1981, as in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Auxier the base rate for purchased gas shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$4.127 per Mcf

IT IS FURTHER ORDERED that the information furnished this Commission by Auxier on October 20, 1981, constitutes full compliance with this Commission's Order in Case No. 7897, and

any other information ordinarily required to be filed under the Commission's rules is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 5th day of November,
1981. PUBLIC SERVICE COMMISSION

Marlin M. Voh
For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 7897-E DATED
NOVEMBER 5, 1981

The following rates are prescribed for the customers in the area served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

First	1 Mcf per month	\$6.716
All Over 1 Mcf per month		5.916